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General Comment

6. Total admin cost, TPA, PPO, UR, Broker \$40 PEPM or \$15.38 PMPM. Admin is a fraction of what the issuers charge. Plus they get better service and tons of data the carriers never share.

7. Participation requirements is one reason employers might self fund. If a group does not meet fully insured requirements the employer can not offer coverage even if they want to. Stop loss is more flexible, if there is a good reason the group can not meet participation and there is not excessive adverse risk the group can still get coverage.

10. If claims data is available they use it. If not medical questions. Sometimes just manual but these rates are seldom competitive and seldom sell.

12. A number of our clients would not offer insurance if they couldn't control the cost by self funding. Most do not use stop loss, they use fully insured HDHPs. If ACA eliminates HDHPs they will have to switch to stop loss. If they are prevented from buying HDHP and stop loss they will stop offering coverage.

Our clients save 10-30%+ from what the carrier would charge fully insured for the same plan. Most could not afford that increase and would just drop coverage. They also see much lower trend then fully insured because we work with the employees to be better consumers of healthcare.

13. Not nearly the impact that is feared. We have very few self funded clients that are at or near the lowest rated tier. Self funding has risk, if your at the lowest tier and you have a year as expected your 10-20% of savings is on such a low dollar amount its not worth the hassle. If you have that accident or other large claim your paying 25% more though. It's not as attractive for healthy groups to self fund.

For every healthy group I get 10 that are max loaded or close to it. These are the groups that self fund. They need to control cost and address their problems and fully insured does not do that. Only self funding gets them claims data and control to fix the problem.